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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/2007

SPONSOR Rodella LAST UPDATED 2/9/2007 HB 244/a HTPWC

SHORT TITLE Cumbres and Toltec Railroad License Plates SB _____

ANALYST Schuss

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	\$0.1		Non-Recurring	Motor Vehicle Division
		\$0.1	Recurring	Motor Vehicle Suspense Fund
	\$0.1	\$0.1	Recurring	Cumbres and Toltec Scenic Railroad Commission

SOURCES OF INFORMATION

LFC Files

Responses Received From

Tax and Revenue Department (TRD)
Cumbres and Toltec (CT)

SUMMARY

Synopsis of Amendment

This amendment makes the effective date for HB 244 July 1, 2008.

Synopsis of Original Bill

House Bill 244 would authorize a new standardized special registration plate with an artwork logo featuring the Cumbres and Toltec scenic railroad. Vehicle owners requesting the plate would be charged an added fee of \$40 per registration in addition to all other fees. Revenue from the fee would be distributed as follows:

- In the first year the plates are issued, \$15 to the Motor Vehicle Division (MVD) to cover costs of producing the plates;

- After the first year, \$15 to the Motor Vehicle Suspense Fund for distribution in accordance with Section 66-6-23 NMSA 1978;
- \$25 to the Cumbres and Toltec Scenic Railroad Commission.

The bill also amends Section 66-6-23 to provide for distribution to the Cumbres and Toltec Scenic Railroad Commission of \$25.00 collected for the special registration plate.

FISCAL IMPLICATIONS

\$15 per plate is appropriated to MVD in the first year the plates are issued. After the first year that \$15 is credited to the Motor Vehicle Suspense Fund for distribution in accordance with Section 66-6-23 NMSA 1978.

The Tax and Revenue Department cannot precisely estimate the number of Cumbres and Toltec special plates that may be requested. Approximately 25,000 special plates are currently issued under 22 different kinds. The most common are the veterans of various armed services (9,269 total) and collegiate plates (8,957 total), but several of the special plates have been issued in much smaller quantities.

There will be no impact to the General Fund.

ADMINISTRATIVE IMPLICATIONS

The Tax and Revenue Department states that since the implementation of several special registration plates over the past few years, the revenue accounting system of the Motor Vehicle Division has run out of revenue codes to implement additional special registration plates. All new special registration plates are assigned a revenue code and financial programming so the plate can be programmed into the system and the associated funds distributed appropriately. Without any revenue codes available, no additional special registration plates can be implemented into the existing system. In order to accommodate new special registration plates, a re-write of the revenue accounting system will need to occur. Without the necessary funding to accomplish a re-write, the department recommends a July 1, 2008, effective date for this and any other special registration plate proposals in order to complete the necessary system changes.

TECHNICAL ISSUES

According to the Tax and Revenue Department the Cumbres and Toltec scenic railroad commission is composed of four members. Two of the members serve for New Mexico and two members serve for Colorado (§ 16-5-3). The New Mexico share of the expenses of the commission and reimbursement of the New Mexico members may be paid from funds appropriated by the legislature (§ 16-5-5). Under the bill, the \$25 fee per plate would be distributed to the scenic railroad commission (consisting of both NM and Colorado members). Thus it is possible that the \$25 per plate fee could be used to fund expenses of the entire commission (rather than just New Mexico's share of the expenses of the commission). Therefore, at page 2, lines 23-25, the bill should specify that the \$25 per plate fee shall be distributed to the C & T scenic railroad commission “to defray the New Mexico share of the expenses of the commission.”